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SIMULTANEOUS INTERNET PUBLICATION AND THE BERNE CONVENTION

Chris Dombkowski[†]

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I. INTRODUCTION

Over the last twenty years, the commercial development of the Internet has led to an age of unprecedented information sharing. The Web provides an incredibly immersive and interactive platform for knowledge sharing. Perfect copies of images, videos and sound recordings can easily be downloaded, reproduced and redistributed to millions of people around the world. For the first time in history, authors are empowered to share their creative genius directly with the world and doing so in a manner that is entirely consistent with the purpose of copyright—“to Promote the Progress of Science and useful Arts.”¹

Not surprisingly, the rapid expansion of the Internet has outpaced the evolution of U.S. copyright law. The two principal legal

1. U.S. CONST. art. I, § 8, cl. 8.

instruments governing copyrights—the U.S. Copyright Act and the Berne Convention—were drafted and enacted prior to widespread use of the Internet. The ease with which works are now published, downloaded, copied, and distributed would have been unimaginable to the drafters of today’s Copyright Act.

The ability to publish works on the Internet has resulted in unintended consequences. In particular, the definition of “United States works” in § 101 of the Copyright Act is outdated in the Internet age. Specifically, when foreign works are “published” on the Internet they are “simultaneously” published in the United States. As a result a foreign work is a “United States work” according to the present definition. As a United States work, the work is subject to the registration requirement of § 411(a). Therefore, the copyright holder must register the work with the U.S. Copyright Office prior to filing a civil action for copyright infringement. As this Article will discuss, the U.S. registration requirement of § 411(a) is an impermissible formality which violates the Berne Convention.

In restoring compliance, we must consider what works of foreign origin should be deemed “United States works” upon simultaneous Internet publication. This Article recommends that works of foreign origin should still be included in the definition of “United States works” when the copyright holder actively solicits customers in the United States via the Internet. All other simultaneous publications involving foreign works should be excluded. Implementation of this solution will eliminate the impermissible formality for the class protected by the Berne Convention while maintaining a level playing field with foreign competitors who avail themselves of the U.S. market.

Part II of this Article provides background on the Berne Convention and its implementation in U.S. Copyright Law. Part III discusses the current statutory framework governing publication, followed by a detailed analysis of case law regarding distribution and publication on the Internet that spans from 1993 to 2011. Part IV identifies aspects of current law that are not in compliance with the Berne Convention and recommends solutions to restore compliance with the Convention.

II. BACKGROUND

A. *The Berne Convention*

The Berne Convention (the Convention),² initially signed by ten countries in 1886,³ remains the principal international copyright treaty. Today, its membership spans 166 nations including the United States.⁴ The Convention was born out of the desire “to promote creativity by protecting the works of the mind” and to do so universally.⁵ To address this need, the Convention is designed to help nationals of its member States acquire international protection for their “right to control, and [to] receive payment for, the use of their [literary and artistic works].”⁶

The Convention is administered by the World Intellectual Property Organization (WIPO)⁷ and was most recently amended by the Paris Act in 1971.⁸

1. Territoriality & National Treatment Under the Berne Convention

The concepts of territoriality and national treatment control the level of protection a work garners under the Convention. Article 5 specifies that domestic law governs the protection of works,

2. Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as amended Sept. 28, 1979, 828 U.N.T.S. 221 [hereinafter Berne Convention], available at http://www.wipo.int/export/sites/www/treaties/en/ip/berne/pdf/trtdocs_wo001.pdf.

3. 1 SAM RICKETSON & JANE C. GINSBURG, INTERNATIONAL COPYRIGHT AND NEIGHBOURING RIGHTS: THE BERNE CONVENTION AND BEYOND ¶ 2.51, at 82 (2d ed. 2006). The initial signatory countries included Germany, Belgium, Spain, France, Haiti, Italy, Liberia, Switzerland, the U.K., and Tunisia. *Id.*

4. See *id.* at 85 (“[T]he Convention has continued to be the centerpiece of the international copyright system . . .”); *Treaties Statistics: Berne Convention for the Protection of Literary and Artistic Works*, WORLD INTEL. PROPERTY ORG., http://www.wipo.int/treaties/en/statistics/StatsResults.jsp?treaty_id=15&lang=en (last visited Mar. 26, 2013) (providing number of contracting parties). The United States joined the Berne Convention effective March 1, 1989. See Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853 (1988) [hereinafter BCIA] (codified as amended in scattered sections of 17 U.S.C. (2011)).

5. *WIPO Treaties—General Information*, WORLD INTEL. PROPERTY ORG., <http://www.wipo.int/treaties/en/general/> (last visited Mar. 26, 2013) [hereinafter *WIPO Treaties*].

6. See *id.*; Berne Convention, *supra* note 2, art. 1. The term “‘literary and artistic works’ shall include every production in the literary, scientific and artistic domain, whatever may be the mode or form of its expression . . .” Berne Convention, *supra* note 2, art. 2(1).

7. See *WIPO Treaties*, *supra* note 5.

8. See RICKETSON & GINSBURG, *supra* note 3, § 3.66, at 131.

regardless of the author's nationality.⁹ In the country of origin, "[authors] shall enjoy . . . the same rights as national authors."¹⁰ In a member state other than the country of origin, "[a]uthors shall enjoy . . . the rights which [that country's] respective laws . . . grant to their nationals."¹¹ In other words, the basic protection scheme is one of anti-discrimination against authors from other countries. Failure of a member nation to provide such equal protection constitutes a violation of the Convention.

2. Absence of Formalities under the Berne Convention

The Convention prohibits formalities that interfere with the author's rights. Article 5 of the Convention provides that "[t]he enjoyment and the exercise of these rights shall not be subject to any formality."¹² In other words, when an author claims protection for her work in a member country, this protection cannot be subjected to any formality.¹³ The drafters of the Convention defined formalities as legal requirements imposed on authors in order to ensure that the rights of the author came into existence.¹⁴ More precisely, registration and deposit requirements were expressly identified as formalities prohibited under the Convention.¹⁵

B. The United States Implementation of the Berne Convention

The United States joined the Berne Convention on March 1, 1989,¹⁶ more than one hundred years after the treaty was first established. Before that date, the United States was not eligible for

9. See Berne Convention, *supra* note 2, art. 5(1), (3).

10. *Id.* art. 5(3). The country of origin depends on where the work is published:

(1) If first published in a member country, that country is deemed the *country of origin*. See *id.* art. 5(4)(a).

(2) If simultaneously published in several member countries, the *country of origin* is the country with the shortest term of protection. See *id.*

(3) If simultaneously published in a nonmember country and a member country, the *country of origin* is the member country. See *id.* art. 5(4)(b).

(4) If first published in a nonmember country, without simultaneous publication in a member country, the *country of origin* is the member country of which the author is a national. See *id.* art. 5(4)(c).

11. *Id.* art. 5(1).

12. *Id.* art. 5(2).

13. See RICKETSON & GINSBURG, *supra* note 3, § 6.92, at 312.

14. See *id.* § 6.102, at 323.

15. See *id.* ("[T]he word 'formalities' has been taken as synonymous with the term 'formal conditions,' comprising, for example, *registrations*, *deposit*, etc. . . ." (emphasis added) (quoting Dr. Meyer, a German delegate [find the source of the quote])).

16. BCIA, sec. 13(a), 102 Stat. at 2861.

membership, in part because of the existence of the notice and registration requirements in U.S. copyright law¹⁷—formalities prohibited by the Convention.¹⁸ In 1989, Congress resolved the issue by eliminating the notice requirement for all works and excluding “Berne Convention works” from the registration requirement.¹⁹

1. Notice and Registration before the Berne Convention Implementation Act

From 1909 to 1989, authors were required to affix notice of copyright upon each published copy as a prerequisite for federal copyright protection.²⁰ As a consequence, works published without notice automatically fell into the public domain.²¹ During the same period, copyright registration was required for “any work” as a prerequisite to filing an infringement action.²² Notably, by requiring registration for “any work,” registration was therefore required for foreign works.

2. Notice & Registration after the Berne Convention Implementation Act

Effective March 1, 1989, the Berne Convention Implementation Act of 1988 (BCIA) brought U.S. copyright law into compliance with the Convention, enabling the United States to become a member of the Union.

Compliance with the Convention required the elimination of prohibited formalities. To meet this need, Congress eliminated the

17. See Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541, 2576-77, 2583 (1976) (codified as amended at 17 U.S.C. (2011)); Copyright Act of 1909, Pub. L. No. 60-349, ch. 320, 35 Stat. 1075, 1077-78, (1909) (repealed 1976).

18. See *supra* text accompanying note 15.

19. See BCIA, secs. 4(a), 5, 9, 102 Stat. at 2854-57, 2859.

20. See Copyright Act of 1976, § 401(a), (c), 90 Stat. at 2576-77 (“Whenever a work . . . is published[,] . . . a notice shall be affixed to the copies . . . to give reasonable notice of the claim of copyright.”); Copyright Act of 1909, sec. 9, 35 Stat. at 1077 (“[A]ny person . . . may secure copyright for his work by publication thereof with the notice of copyright . . . and such notice shall be affixed to each copy thereof published or offered for sale in the United States . . .”).

21. *R.W. Beck, Inc. v. E3 Consulting, LLC*, 577 F.3d 1133, 1143 (10th Cir. 2009) (noting that material published before February 28, 1989, ordinarily was deemed to be dedicated to the public domain if it lacked a copyright notice).

22. See Copyright Act of 1976, § 411(a), 90 Stat. at 2583 (“[N]o action for infringement of the copyright in any work shall be instituted until registration of the copyright claim has been made”); Copyright Act of 1909, sec. 12, 35 Stat. at 1078 (“No action or proceeding shall be maintained for infringement of copyright in any work until . . . the deposit of copies and registration of such work shall have been complied with.”).

notice requirement for all works.²³ In addition, Congress excluded “Berne Convention works” (works of foreign origin) from the registration requirement.²⁴ Eliminating the registration requirement only for Berne Convention works was an intentionally minimalistic approach to compliance.²⁵ In doing so, Congress preserved the registration requirement for works originating in the United States.

3. From “Berne Convention Works” to “United States Works”

On October 28, 1998,²⁶ Congress adopted the Digital Millennium Copyright Act (DMCA), Title I of which contained amendments to implement the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty.²⁷ Like the Berne Convention, the new WIPO treaties required United States protection on a “formality-free basis.”²⁸ As such, the exclusion of “Berne Convention works” from the registration requirement needed to be expanded to encompass works protected under the WIPO treaties.

To accomplish this, Congress replaced the language excluding “Berne Convention works” from registration²⁹ with affirmative language requiring registration only for “United States works.”³⁰ The

23. See BCIA, sec. 7, 102 Stat. at 2857-58 (replacing the obligatory language in 17 U.S.C. §§ 402, 403 (1988) of a notice of copyright “*shall be placed*” on all copies and publically distributed phonorecords with the optional language of “*may be placed*”) (emphasis added).

24. See *id.* sec. 9(b), at 2859 (replacing the term of 17 U.S.C. § 411(a) (1988) “any work” with “[e]xcept for actions for infringement of copyright in *Berne Convention works* whose country of origin is not the United States”) (emphasis added). A work is a “Berne Convention work” if in the case of a published work:

(1) one or more of the authors is a national of a nation adhering to the Convention on the date of first publication;

(2) the work is first published in a nation adhering to the Convention;

(3) simultaneously first published in a nation adhering to the Convention and in a foreign nation that does not adhere to the Convention. See *id.* sec. 4(a), at 2854.

25. See S. REP. NO. 100-17, at 54 (1988) (statement of John Uilkema, Chairman of the American Bar Association’s Section of Patent, Trademark, and Copyright Law) (“We are satisfied that a minimalist legislative approach—i.e., doing only so much as is necessary to render the U.S. law compatible with Berne Convention—is appropriate. This is the approach taken by the House and the Senate . . .”).

26. 17 U.S.C. § 101 (2000) (specifying effective date of 1998 amendments as of October 28, 1998).

27. See Digital Millennium Copyright Act, Pub. L. 105-304, 112 Stat. 2860 (1998) [hereinafter DMCA].

28. See H.R. Rep. No. 105-551, pt. 1, at 15 (1998).

29. See BCIA, sec. 9(b), 102 Stat. at 2859 (amending 17 U.S.C. § 411(a) (1988) with the language “[e]xcept for actions for infringement of copyright in *Berne Convention works* whose country of origin is not the United States . . .”) (emphasis added).

30. See DMCA, Pub. L. 105-304, sec. 102, 112 Stat. at 2863, (amending 17 U.S.C.

registration requirement language of § 411(a) has remained unchanged since the enactment of the DMCA.

III. REGISTRATION AND FOREIGN WORKS

A. *Statutory Framework*

1. Registration for Any “United States Work”

Under the current statutory framework, a “United States work” must be registered prior to the filing of a civil action for copyright infringement.³¹ As discussed above, Congress intentionally amended § 411(a) to exclude foreign works from this requirement.³² Doing so was necessary to gain membership in the Berne Convention and subsequent WIPO copyright treaties.³³ Both treaties require domestic protection of foreign works on a formality-free basis.³⁴ Currently, only authors of “United States works” are required to register prior to filing a copyright action.

There is significant public policy benefit associated with registration. While drafting the Berne Convention Implementation Act, the Senate Committee on the Judiciary considered the option of eliminating § 411(a).³⁵ However, the Senate maintained this requirement for United States works in order to preserve the following benefits:

- (1) Registration promotes efficient litigation practices.³⁶
Registration results in proof of ownership.³⁷
Therefore, copyright registration narrows the issues

§ 411(a) by “striking ‘actions for infringement of copyright in *Berne Convention works* whose country of origin is not the United States[.]’” and “inserting ‘*United States*’ after ‘no action for infringement of the copyright in any’”).

31. 17 U.S.C. § 411(a) (2011) (“[N]o civil action for infringement of the copyright in any *United States work* shall be instituted until preregistration or registration of the copyright claim has been made”) (emphasis added).

32. See *supra* Part II.B. Note that registration for all works is still required within three months of first publication to qualify for statutory damages or attorney’s fees in any copyright infringement action. 17 U.S.C. § 412 (2011). This requirement is beyond the scope of this article.

33. See *supra* Part II.B.2-3.

34. See *supra* Part II.B.2-3.

35. See S. REP. NO. 100-352, at 36 (1988) (proposing replacing § 411(a) with “Registration is not a prerequisite to the institution of a civil action for infringement of copyright.”).

36. See H.R. REP. NO. 100-609, at 41 (1988).

37. See *id.*

that must be litigated in resolving the underlying dispute, to the benefit of the courts, the public, and the parties.³⁸

- (2) Registration may deter frivolous law suits. The House Committee was also concerned that, in the absence of § 411(a), the courtroom doors would be wide open to parties without a legitimate copyright claim.³⁹ “[P]laintiffs can exploit discovery and other procedures . . . to extract settlements and cause financial harm to legitimate competition and ultimately the public through higher prices.”⁴⁰ Therefore, § 411(a) to some extent may deter unwarranted infringement claims.
- (3) Registration helps to ensure a central, public record of copyright claims.⁴¹ Public access to this information promotes licensing markets by bringing copyright owners and licensees together. In turn, this serves to encourage further creativity by rewarding authors with incremental revenue that would otherwise not be possible.
- (4) Finally, registration is an important source of acquisitions for the Library of Congress.⁴²

2. Definition of “United States Work”

In the case of published works, a work is deemed a “United States work” when any one of the following conditions occurs:

- (1) The work is first published in the United States.
- (2) The work is simultaneously published in the United States and another treaty party nation.
- (3) The work is simultaneously published in the United States and a foreign nation that is not a treaty party.
- (4) The work is first published in a foreign nation that is not a treaty party, and all of the authors are nationals of the

38. *See id.*

39. *See id.* at 42.

40. *Id.*

41. *Id.*

42. *Id.*; 17 U.S.C. § 408 (2011) (specifying procedure of depositing of copies or phonorecords for the Library of Congress).

United States.⁴³

Section 101 is silent as to the meaning of simultaneous publication. However, the drafters of § 104A adopted a 30-day window during which all publications are considered simultaneous. Section 104A defines “[t]he term ‘restored work’ [as] an original work of authorship that . . . if published, was first published in an eligible country and not published in the United States during the 30-day period following publication in such eligible country.”⁴⁴ In other words, if a work was first published in an eligible country and was simultaneously published in the United States—within 30 days of first publication—the work is not a foreign work eligible for restoration. This is consistent with the definition of simultaneous publication in both the Berne Convention⁴⁵ and the Universal Copyright Convention (UCC).⁴⁶ As such, one reasonable approach is to apply the 30-day rule to the definition of a “United States work.” Under this definition, a work is *simultaneously published* in the United States and another treaty party when the time between first publication in the treaty party and subsequent publication in the United States is less than or equal to 30 days.

3. Exclusive Right of Distribution

Section 106(3) grants the copyright owner the exclusive right to “distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending.”⁴⁷ This right is limited to the first public distribution of an authorized copy or phonorecord.⁴⁸ Any unauthorized public

43. See 17 U.S.C. § 101 (2011). “A ‘treaty party’ is a country or intergovernmental organization other than the United States that is a party to an international agreement.” *Id.* The term “international agreement” includes the Berne Convention, the WIPO Copyright Treaty, and the WIPO Performances and Phonograms Treaty. *Id.*

44. *Id.* § 104A(h)(6)(D).

45. Berne Convention, *supra* note 2, art. 3(4) (“A work shall be considered as having been *published simultaneously* in several countries if it has been published in two or more countries within *thirty days* of its first publication.”) (emphasis added).

46. The Universal Copyright Convention, art. 4(6), Sept. 6, 1952, 6 U.S.T. 2731, 216 U.N.T.S. 134, as last revised at Paris, July 24, 1971, 25 U.S.T. 1341, 1349, 943 U.N.T.S. 178 (“[A]ny work published in two or more . . . States within *thirty days* of its first publication shall be considered as having been *published simultaneously* in said . . . States.”) (emphasis added). The United States has been a member of the UCC since September 16, 1955. See *International Copyright*, U.S. COPYRIGHT OFFICE, <http://www.copyright.gov/fls/fl100.html> (last visited Apr. 10, 2013).

47. 17 U.S.C. § 106(3) (2011).

48. See *id.* § 109(a) (2011) (first sale doctrine); H.R. REP. NO. 94-1476, at 62 (1976) (“As

distribution of copies or phonorecords that were unlawfully made could constitute infringement.⁴⁹

4. Definition of “Publication”

Publication is affected by distribution. The Copyright Act defines publication in terms of both actual distributions and offers to distribute:

Publication is [1] the [actual] *distribution* of copies or phonorecords of a work *to the public* by sale or other transfer of ownership, or by rental, lease, or lending. [2] The *offering to distribute* copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. [3] A public performance or display of a work does not of itself constitute publication.⁵⁰

Actual distribution occurs when one or more copies or phonorecords are distributed to the public.⁵¹ Central to the definition of actual distribution is that there must be a transfer of possession—by sale, rental, lease, lending, or other transfer—of a *material object*⁵² from the copyright holder to the public.⁵³ The reader should note that an actual transfer of ownership is sufficient but not necessary for publication by actual distribution.

Alternatively, certain offers-to-distribute the material object for further distribution constitute publication.⁵⁴ Unlike publication by actual distribution, publication by an offer to distribute does not require a transfer of possession of a material object.⁵⁵ Because of the

section 109 makes clear, however, the copyright owner’s rights under section 106(3) cease with respect to a particular copy or phonorecord once he has parted with ownership of it.”).

49. See 17 U.S.C. § 501.

50. *Id.* § 101 (emphasis added).

51. See H.R. REP. NO. 94-1476, at 138. The “public” means persons under no express or implied restrictions with respect to disclosure of the work.” *Id.*

52. “Copies” and “phonorecords” are defined as material objects in which a work is fixed, such as a book, periodical, manuscript, phonorecord, film, tape, or disks. See § 101.

53. See *id.*

54. See *Id.* (definition of publication).

55. See *Id.* The plain language makes clear that Congress did not intend for publication by an offer to distribute to require actual transfer of a possessory interest in the material object. Had Congress intended such a requirement, the drafters could easily have included the language “to the public by sale or other transfer of ownership, or by rental, lease, or lending” found in the preceding sentence but chose not to. The majority of courts agree. See *Capitol Records Inc. v. Thomas*, 579 F. Supp. 2d 1210, 1223 (D. Minn. 2008) (“The general rule, supported by the great weight of authority, is that ‘infringement of [the distribution right] requires an actual dissemination of either copies or phonorecords.’” (alteration in original) (quoting *Nat’l Car Rental Sys., Inc. v. Computer Assocs. Int’l, Inc.*, 991 F.2d 426, 434 (8th Cir. 1993)) (internal

clear distinction between actual distributions and offers to distribute in the definition of “publication,” the exclusive right of distribution appears to be limited to actual distribution.⁵⁶ In other words, there must be an unauthorized transfer of possession of a material object for there to be infringement.⁵⁷

B. Internet Publication

1. How Material Objects Change Hands on the Internet

As noted above, actual distribution requires, at a minimum, a transfer of possession of a material object.⁵⁸ Books and music CDs are very common examples of material objects—a physical object in which a copy of the original work is fixed. But what constitutes a material object on the Internet? At what point does a possessory interest in such an object change hands from copyright owner to the public?

In the electronic world, electronic data files—encoded magnetic particles on a portion of the physical hard disk—constitute material objects of the works they embody.⁵⁹ The Internet is a communications network that connects users to a myriad of linked works including documents, images, music, and video content available on the Web.⁶⁰

quotation marks omitted)); *London-Sire Records, Inc. v. Doe 1*, 542 F. Supp. 2d 153, 169 (D. Mass. 2008) (“If [the author] merely offers to sell [the copyrighted work] to . . . [a] member of the public, that is neither a distribution nor a publication. And if the author offers to sell the manuscript to a publishing house ‘for purposes of further distribution,’ but does not actually do so, that is a publication but not a distribution.”).

56. See 17 U.S.C. § 106(3). Congress reapplied the exact language of publication by actual distribution—to “distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending”—when defining the exclusive right of distribution. *Id.*

57. Note that a minority of courts disagree, holding that merely making a work available for unauthorized copying constitutes an offer to distribute in violation of the right of distribution. See, e.g., *Warner Bros. Records, Inc. v. Payne*, No. W-06-CA-051, 2006 U.S. Dist. LEXIS 65765, at *10 (W.D. Tex. 2006) (“[L]isting copyrighted works on an online file-sharing system contemplates ‘further distribution,’ and thus, could constitute a violation of the copyright owner’s exclusive distribution right under § 106(3).”).

58. See *supra* text accompanying note 53.

59. *London-Sire Records, Inc.*, 542 F. Supp. 2d at 171 (“The electronic file (or, perhaps more accurately, the appropriate segment of the hard disk) is therefore a ‘phonorecord’ within the meaning of the statute.”).

60. *Definition of Internet*, MERRIAM-WEBSTER DICTIONARY, <http://www.merriam-webster.com/dictionary/internet> (last visited Apr. 10, 2013) (defining Internet as “an electronic communications network that connects computer networks and organizational computer facilities around the world”); *Definition of World Wide Web*, MERRIAM-WEBSTER DICTIONARY, <http://www.merriam-webster.com/dictionary/world+wide+web?show=0&t=1335114819> (last visited Apr. 10, 2013) (defining World Wide Web as “a part of the Internet accessed through a

Prior to any transfer of ownership or possession, each of these objects resides as an electronic data file stored on a hard disk.

In *London-Sire Records, Inc. v. Doe I*, the court held that the term “material object” indeed includes electronic copies. This court reasoned that the term “material” “should not be understood as separating tangible copies from non-tangible copies. Rather, it separates a copy from the abstract original work”⁶¹ For example, *sounds*—the abstract original work—are separate from the *phonorecord*—the copy or material object—in which they are fixed.⁶² Further, Congress defined material object as a *tangible medium of expression* in which an abstract original work is fixed.⁶³ The only express limitation on this *medium of expression* is that it be “sufficiently permanent or stable to permit [the work] to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration.”⁶⁴ Clearly, electronic files satisfy this limitation. Therefore, the copyright owner’s rights extend beyond tangible, physical objects to include purely electronic distributions of their work.⁶⁵ Based on this reasoning, the court held that “an electronic file transfer can constitute a ‘transfer of ownership’ as that term is used in § 106(3).”⁶⁶

Transfer of ownership or possession on the Internet occurs when a data file is downloaded from a web server to a local computer. Once the file transfer is complete, a copy of the data file resides on a hard disk in the possession of the person who requested the file.⁶⁷ For example, music is commonly distributed on the Internet in the format of MP3 files.⁶⁸ Once an MP3 file is posted to the Internet (by copying the file onto the hard disk of the server on which the data for the website resides), the file can be downloaded directly to a local computer.⁶⁹ Upon completion of the download, the person receiving the MP3 file now has possession of the sound recording embodied in a material object (the person’s hard disk) and the ability to play the

graphical user interface and containing documents often connected by hyperlinks—called also *Web*”).

61. *London-Sire Records, Inc.*, 542 F. Supp. 2d at 173.

62. *See* 17 U.S.C. § 101 (emphasis added).

63. *See id.*

64. *Id.*

65. *See London-Sire Records, Inc.*, 542 F. Supp. 2d at 174.

66. *Id.*

67. *See* PRESTON GRALLA, *HOW THE INTERNET WORKS* 147 (8th ed. 2007).

68. *See id.* at 252.

69. *See id.* at 253.

music, make copies and further distribute the file.⁷⁰

2. What Constitutes Distribution and Publication on the Internet?

From the earliest days of the Internet in 1993 to 2008 it is understandable that the courts were operating in a reactionary mode to the rapid onset of Internet technology. Therefore, it is not surprising to observe four distinct attempts at defining distribution on the Internet during this period. Specifically, copyright infringement occurred on the Internet when:

- (1) Distribution occurred where copies were made available for download.⁷¹
- (2) Distribution occurred where copies were sold to the public.⁷²
- (3) Publication occurred where copies were made available causing a transfer of the possessory interest.⁷³
- (4) Publication—in violation of the distribution right—occurred where copies were offered for further distribution.⁷⁴

More recent decisions have adhered more closely to the statutory requirement. They held that publication requires an actual transfer of ownership or transfer in a possessory interest.

a. Early Decisions: Distribution Occurred When Copies Were Made Available for Download

Only two years after the launch of the Web,⁷⁵ in 1993, the Middle District of Florida decided *Playboy Enterprises, Inc. v. Frena*.⁷⁶ In *Frena*, the defendant operated an electronic “bulletin

70. *See id.*

71. *See* A&M Records, Inc. v. Napster, Inc., 239 F.3d 1004, 1019 (9th Cir. 2001), *aff’d*, 284 F.3d 1091 (9th Cir. 2002); Advance Magazine Publishers Inc. v. Leach, 466 F. Supp. 2d. 628, 632 (D. Md. 2006); Playboy Enters., Inc. v. Russ Hardenburgh, Inc., 982 F. Supp. 503, 513 (N.D. Ohio 1997); Playboy Enters., Inc. v. Chuckleberry Publ’g, Inc., 939 F. Supp. 1032, 1039 (S.D.N.Y. 1996); Playboy Enters., Inc. v. Frena, 839 F. Supp. 1552, 1559 (M.D. Fla. 1993).

72. *See* N.Y. Times, Co. v. Tasini, 533 U.S. 483, 499 (2001).

73. *See* Getaped.com, Inc. v. Cangemi, 188 F. Supp. 2d 398, 401-02 (S.D.N.Y. 2002).

74. *See* Atl. Recording Corp. v. Anderson, No. H-06-3578, 2008 U.S. Dist. LEXIS 53654, at *20 (S.D. Tex. 2008).

75. *See* GRALLA, *supra* note 67, at 11 (dating the development of the World Wide Web to 1991).

76. *Frena*, 839 F. Supp. 1552.

board”⁷⁷ on which paid subscribers were permitted to share and download files.⁷⁸ Playboy sued Frena for copyright infringement after discovering 170 of its images were displayed and available for unauthorized download on the bulletin board.⁷⁹ In finding an unauthorized distribution to the public, the court focused on the fact that Frena “supplied a [website] containing unauthorized copies of a copyrighted work.”⁸⁰ The court disregarded the fact that Frena himself did not post the infringing images and it did not require evidence of actual downloading.⁸¹ This case stands for the proposition that making a file-sharing platform available on the Internet is sufficient to find liability for any infringing files posted to it by its visitors.

While this holding appears far-reaching, the record shows that Frena’s subscribers not only browsed Playboy’s images but also downloaded them.⁸² More recent jurisprudence would likely have reached a similar conclusion but for different reasons. The act of downloading the infringing images constituted a “transfer of ownership” of the data representing the copyrighted work. As such, the transaction should have been deemed an unauthorized publication in violation of Playboy’s exclusive right to distribute these images.

As the Internet spawned a new breed of high-tech infringers, Playboy continued to vigorously assert its intellectual property rights. In 1996, Playboy sued Chuckleberry Publishing for operating an Italian based website called PLAYMEN in violation of an injunction.⁸³ The purpose of the injunction was to prohibit the defendant from distributing its product in the United States.⁸⁴ The case turned on whether the defendant “distributed or sold the PLAYMEN magazine in the United States when it established an Internet site” in Italy displaying pictorial images under the

77. See *Playboy Enters., Inc. v. Russ Hardenburgh, Inc.*, 982 F. Supp. 503, 505 (N.D. Ohio 1997) (“A computer bulletin board service . . . offers home computer owners a method for obtaining information from a central source”). In contrast, a peer-to-peer file sharing network offers a method for obtaining information from distributed computers throughout the peer network. See GRALLA *supra* note 67, at 392.

78. *Frena*, 839 F. Supp. at 1554.

79. *Id.*

80. *Id.* at 1556.

81. *Id.* at 1554 (the images were posted by subscribers to the bulletin board).

82. *Id.*

83. See *Playboy Enters., Inc. v. Chuckleberry Publ’g, Inc.*, 939 F. Supp. 1032 (S.D.N.Y. 1996). See also *Playboy Enters., Inc. v. Chuckleberry Publ’g, Inc.*, 511 F. Supp. 486 (S.D.N.Y. 1981), *aff’d*, 687 F.2d 563 (2d Cir. 1982) (enjoining Chuckleberry Publishing from using the PLAYMEN mark in connection with a male sophisticate magazine in the United States on the basis of trademark infringement).

84. See *Chuckleberry Publ’g, Inc.*, 939 F. Supp. at 1037.

PLAYMEN name.⁸⁵ In *Chuckleberry*, the court built upon the *Frena* decision, finding a distribution where defendant: (1) provided an Internet platform that (2) supplied content which (3) could be downloaded and stored upon subscribers' computers.⁸⁶

Chuckleberry added a new dimension to the discussion, by asking whether such activity performed on a foreign Internet site constituted a distribution in the United States. The court looked to evidence that the defendant maintained online accounts with U.S. customers.⁸⁷ Based on these facts, the court held that the "[d]efendant actively solicited United States customers . . . , and in doing so ha[d] distributed its product within the United States."⁸⁸

The *Chuckleberry* holding is broader than *Frena* because there was no evidence of actual downloading. *Chuckleberry* therefore stands for the rule that merely making a work available for download on the Internet constitutes distribution.⁸⁹

In the ongoing battle to protect its business model, Playboy returned to the courthouse again in 1997. This time, Playboy brought suit against Russ Hardenburgh, Inc. for operating a bulletin board service on which Hardenburgh made available 412 of Playboy's images for unauthorized download.⁹⁰ Like *Frena*, Hardenburgh supplied a file-sharing platform from which unauthorized images could be downloaded. However, taking it one step further, Hardenburgh actively encouraged subscribers to upload adult photographs.⁹¹ Consistent with *Frena*, the *Hardenburgh* court held that a distribution occurred when unauthorized images were made available for download on a website.

In 2001, the Ninth Circuit famously brought an end to Napster's Internet-based music file-sharing system.⁹² Unlike the centralized

85. *Id.* at 1036.

86. *See id.* at 1039.

87. *See id.* (the defendant sent U.S. subscribers an email with user name and password).

88. *Id.*

89. *See* Getaped.com, Inc. v. Cangemi, 188 F. Supp. 2d 398, 401 (S.D.N.Y. 2002) (citing *Chuckleberry Publ'g, Inc.*, 939 F. Supp. at 1039 (S.D.N.Y. 1996) (uploading content on internet and inviting users to download it violates exclusive publication right)).

90. Playboy Enters., Inc. v. Russ Hardenburgh, Inc., 982 F. Supp. 503, 505 (N.D. Ohio 1997).

91. *See id.* at 506 ("Subscribers were given a 'credit' for each megabyte of electronic data that they uploaded onto the system. For each credit, the subscriber was entitled to download 1.5 extra megabytes of electronic information, in addition to the megabytes available under the normal terms of subscription.").

92. A&M Records, Inc. v. Napster, Inc., 239 F.3d 1004 (9th Cir. 2001), *aff'd*, 284 F.3d 1091 (9th Cir. 2002); *see also* John Borland, *Roxio Closes Napster Asset Buy*, CNET NEWS

“bulletin board” file-sharing systems in the Playboy cases, Napster’s file sharing occurred across a distributed peer-to-peer network.⁹³ In this scheme, each user volunteered their own computer to serve as one node in a vast network of Napster users.⁹⁴ To connect this network, Napster provided software to its members.⁹⁵ The software enabled its users to make their own MP3 files available for download to any other Napster user in the network.⁹⁶ In exchange, the software allowed each user to search the network and download MP3s directly from the hard drives of other Napster users.

Despite the differences between centralized and distributed peer-to-peer file sharing, the basis for finding infringement was the same. In *Napster*, the court held that “Napster users who upload file names to the search index for others to copy violate . . . [the record company’s] distribution rights.”⁹⁷ As in the file-sharing cases before it, the *Napster* court suggested that merely making files available for download—as opposed to requiring actual downloads—constituted a violation of the record company’s distribution right.

In 2001, Advanced Magazine Publishers (AMP) brought an infringement action against David Leach for making unauthorized electronic copies of book-length stories available for download on the Internet.⁹⁸ Leach (1) scanned the literary works into electronic form, (2) integrated the works with paid advertising, and (3) made the works available for download on the Internet.⁹⁹ In its analysis, the court found that the defendant’s online database of literary works was similar to the Nexis online database in *New York Times v. Tasini*.¹⁰⁰ Consistent with Justice Ginsburg’s dicta in *Tasini*,¹⁰¹ the court held that “[d]efendant operates . . . an online database of literary works, and by making available unauthorized copies of Plaintiff’s publications, he . . . infringed [plaintiff’s] right to distribution.”¹⁰² In other words, the court concluded that creation of a capability to

(Nov. 27, 2002, 4:30 PM), <http://news.cnet.com/2100-1023-975627.html> (discussing the demise of Napster).

93. See *Napster, Inc.*, 239 F.3d at 1012 (9th Cir. 2001).

94. See *id.*

95. See *id.* at 1011.

96. See *id.* at 1011-12.

97. *Id.* at 1014.

98. See *Advance Magazine Publishers Inc. v. Leach*, 466 F. Supp. 2d. 628, 632 (D. Md. 2006).

99. See *id.*

100. See *N.Y. Times, Co. v. Tasini*, 533 U.S. 483 (2001).

101. See *infra* note 108.

102. *Advance Magazine Publishers Inc.*, 466 F. Supp. 2d. at 638.

transfer possession of copies of the articles, rather than the actual transfer, was an unauthorized distribution.

*b. Early Decisions: Distribution Occurred When
Copies Were Sold to the Public*

In 2001, the Supreme Court weighed in on the discussion in *New York Times v. Tasini*.¹⁰³ In *Tasini*, freelance writers sued Lexis Nexis for the unauthorized placement of their articles in the Nexis Database.¹⁰⁴ In finding infringement, the court held that “by selling copies of the Articles through the NEXIS Database, [Lexis Nexis] ‘distribute[d] copies’ of the Articles ‘to the public by sale’” in violation of the author’s exclusive distribution right.¹⁰⁵

Although in dicta, Justice Ginsburg commented that “[t]he crucial fact is that the [D]atabase[] . . . store[s] and retrieve[s] articles separately within a vast domain of diverse texts. Such a storage and retrieval system effectively overrides the Authors’ exclusive right to control the individual . . . distribution of each Article”¹⁰⁶ It is striking how readily Ginsburg’s description of the Nexis database applies to the Internet. For example, Google enables users to search for, locate and retrieve articles—and much more—from a “vast domain of diverse texts” that span the Web. Further, just as Lexis users “may view, print, or download each of the articles yielded by the search,”¹⁰⁷ the same is true for Google users. Although, infringement in *Tasini* was triggered by actual sales to the public, Ginsburg’s commentary has been cited for the broad proposition that merely making a work available on the Internet—where it is possible to retrieve and download the work—constitutes a distribution of that work.¹⁰⁸ It is not clear from the opinion, however, whether the Court would require evidence of actual downloads. Ginsburg’s use of the term “retrieval” might suggest something more is required than merely making a work available.

103. *N.Y. Times Co.*, 533 U.S. 483.

104. *See id.* at 487.

105. *Id.* at 498.

106. *Id.* at 503-04.

107. *Id.* at 490.

108. *See Advance Magazine Publishers, Inc.*, 466 F. Supp. 2d. at 637-38 (citing *N.Y. Times Co.*, 533 U.S. at 488) (“[T]he Supreme Court held that two online database companies violated six freelance authors’ rights of distribution by making copies of their articles available to the databases’ users without the authors’ consent.”).

c. Early Decisions: Publication Occurred When Copies Were Made Available

In 2002, the Southern District of New York addressed, for the first time, the publication of an entire webpage rather than a single music or image file embedded in one.¹⁰⁹ In *Getaped.com, Inc. v. Cangemi*, the plaintiff developed the website Getaped.com to sell motorized scooters. Defendants copied the Getaped website and “post[ed] identical source code at their own sites.”¹¹⁰ Getaped sued claiming that replication of their website infringed its copyright.¹¹¹

The court granted Getaped statutory damages, holding that “when a webpage goes live on the Internet, it is distributed and ‘published’ in the same way the music files in *Napster* or the photographs in the various *Playboy* decisions were distributed and ‘published.’”¹¹² In support, the court stated that “by accessing a webpage, an Internet user acquires the ability to make a copy of that webpage, a copy that is, in fact, indistinguishable in every part from the original.”¹¹³ Therefore, “[w]hen a website goes live, the creator *loses* the ability to *control* either duplication or further distribution of his or her work.”¹¹⁴ In reaching its conclusion, the court equated making files available on the Internet with loss of control of the possessory interest in tangible copies.¹¹⁵ The court held that this loss of control satisfied the transfer of ownership element of publication.¹¹⁶

d. Publication—In Violation of the Distribution Right—Occurred When Copies Were Offered for Further Distribution

In 2008, seven years after *Napster*, another peer-to-peer music file-sharing case, *Atlantic Recording Corp. v. Anderson*, was adjudicated.¹¹⁷ This time, however, instead of suing KaZaA, the network provider, Atlantic Recording Corporation sued an individual

109. *Getaped.com, Inc. v. Cangemi*, 188 F. Supp. 2d 398 (S.D.N.Y. 2002).

110. *Id.* at 399-400.

111. *See id.* at 400.

112. *Id.* at 402.

113. *Id.*

114. *Id.* (emphasis added).

115. *See id.* at 401.

116. *See id.* at 402.

117. *Atl. Recording Corp. v. Anderson*, No. H-06-3578, 2008 U.S. Dist. LEXIS 53654 (S.D. Tex. 2008).

user of the KaZaA network, Abner Anderson.¹¹⁸ Anderson admitted to “using the KaZaA online media distribution system to both download and make available, without Plaintiffs’ authorization or consent, certain Copyrighted Recordings.”¹¹⁹ In finding infringement, the court held that the terms “distribution” and “publication” were synonymous.¹²⁰

“Publication” includes “[t]he offering to distribute copies or phonorecords to a group of persons for purposes of further distribution . . . [and] making copyrighted works available for download via a peer-to-peer network contemplates “further distribution . . .” and thus constitutes a violation of the copyright owner’s exclusive “distribution” right¹²¹

Consistent with prior decisions, this court overlooked the § 106(3) requirement of transfer of ownership or in a possessory interest in reaching its conclusion. Although an offer to distribute may constitute a publication under § 101, it does not qualify as a distribution in violation of § 106(3).¹²² There must be at least a transfer of possession in the music file.¹²³

e. The Modern Trend: Violation of the Distribution Right on the Internet Requires Actual Distribution

There are many parallels between *London-Sire Records*¹²⁴ and *Anderson*.¹²⁵ Both actions involved record companies suing individual users of peer-to-peer file-sharing networks.¹²⁶ In each case, the issue was whether the users transferred a possessory interest in a sound recording—thereby affecting an unauthorized distribution.¹²⁷ The decisions even came down in the same month, March 2008. Nonetheless, the *London-Sire Records* decision marked a significant shift in how courts view distributions on the Internet.¹²⁸ Following

118. *Id.* at *1.

119. *Id.* at *6.

120. *See id.* at *18 (citing *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 552 (1985))

121. *Id.* at *18-19.

122. *See* 17 U.S.C. §§ 101, 106(3) (2011).

123. *See supra* text accompanying note 53.

124. *See supra* Part III.B.1.

125. *See supra* Part III.B.2.d.

126. *See London-Sire Records, Inc. v. Doe 1*, 542 F. Supp. 2d 153, 157 (D. Mass. 2008); *Atl. Recording Corp.*, No. H-06-3578, 2008 U.S. Dist. LEXIS 53654 at *4.

127. *See London-Sire Records, Inc.*, 542 F. Supp. 2d at 166; *Atl. Recording Corp.*, No. H-06-3578, 2008 U.S. Dist. LEXIS 53654 at *18.

128. *See London-Sire Records, Inc.*, 542 F. Supp. 2d at 153 (holding that (1) material

this case, the modern trend is to require more than making a work available for download; instead there must be an actual transfer of ownership to find a violation of the distribution right.¹²⁹ This shift warrants a closer look at the approach taken by the court in *London-Sire Records*.

The alleged acts of infringement are now familiar. London-Sire sued individual users of peer-to-peer file-sharing networks who allegedly downloaded and distributed plaintiff's sound recordings to the public.¹³⁰ The defendants argued that to find infringement there must be "actual dissemination of copyrighted material."¹³¹

In deciding whether the statute required an actual distribution, the court turned to the statutory definition of "Publication":¹³²

"Publication" is the *distribution* of copies or phonorecords of a work *to the public* by sale or other transfer of ownership, or by rental, lease, or lending. The *offering to distribute* copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public performance or display of a work does not of itself constitute publication.¹³³

Looking to the first sentence, the court concluded that all distributions to the public are publications for purposes of Copyright.¹³⁴ Separately, the second sentence explicitly creates an additional category of publications that are not distributions.¹³⁵ "Plainly, 'publication' and 'distribution' are not identical."¹³⁶ The court reasoned that not all

objects include copies fixed in electronic form, and (2) distribution on the Internet requires actual transfer of ownership of a material object).

129. See *Capitol Records Inc. v. Thomas*, 579 F. Supp. 2d 1210 (D. Minn. 2008); *London-Sire Records, Inc.*, 542 F. Supp. 2d 153; *Atl. Recording Corp. v. Howell*, 554 F. Supp. 2d 976 (D. Ariz. 2008).

130. See *London-Sire Records, Inc.*, 542 F. Supp. 2d at 159. However, unlike *Anderson*, the defendants here were known only by their computers' IP addresses. See *id.* at 158-59. London-Sire served subpoenas on their internet service providers to establish defendants' identities. See *id.* at 159. The court's opinion was written in response to defendants' motion to quash the subpoenas. See *id.* at 153. On a motion to quash, the court must consider—among other factors—whether the plaintiff asserted a claim upon which relief can be granted. See *id.* at 164.

131. *Id.* at 165.

132. See *id.* at 169 ("[D]efendants cannot be liable for violating the plaintiffs' distribution right unless a 'distribution' actually occurred.").

133. 17 U.S.C. § 101 (emphasis added).

134. See *London-Sire Records, Inc.*, 542 F. Supp. 2d at 169.

135. See *id.*

136. *Id.*

publications involve distributions to the public.¹³⁷ Thus, “Congress’ decision to use the . . . term [‘distribution’] when defining the copyright holder’s rights . . . must be given consequence.”¹³⁸ Therefore, in this context—where the alleged infringement is a distribution to the public—the court held that “defendants cannot be liable for violating the plaintiffs’ distribution right unless a ‘distribution’ actually occurred.”¹³⁹

One month later, the court in *Atlantic Recording Corp. v. Howell*¹⁴⁰ followed the holding in *London-Sire Records*. *Howell* was yet another peer-to-peer file sharing case. Following the analysis in *London-Sire Records*, the court reaffirmed that “a publication can be either a distribution or an offer to distribute for the purposes of further distribution, *but that a distribution [to the public] must involve . . . [some] transfer of ownership . . . of a copy of the work.*”¹⁴¹ Relying on earlier holdings, Atlantic Recording argued that Howell violated its distribution right in the sound recordings by making them available for the public to copy.¹⁴² Following *London-Sire Records*, the court rejected plaintiff’s argument. The court held that unless a “copy of the work change[d] hands . . . a ‘distribution’ under § 106(3) has not taken place.”¹⁴³

In September of 2008, the issue of what constitutes an electronic transfer of ownership arose in *Capitol Records Inc. v. Thomas*,¹⁴⁴ in which a jury found defendant Jammie Thomas guilty of infringement for “illegally downloading and distributing [Capitol Records’] recordings via the online peer-to-peer file sharing application known as Kazaa.”¹⁴⁵ When Thomas moved for a new trial, the district court *sua sponte* challenged the jury instructions.¹⁴⁶ Jury Instruction No. 15 read:

The act of making copyrighted sound recordings available for electronic distribution on a peer-to-peer network, without license

137. *See id.*

138. *Id.* at 169. *See also* 17 U.S.C. § 106(3) (the exclusive right to “distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending”).

139. *London-Sire Records, Inc.*, 542 F. Supp. 2d at 169.

140. *Atl. Recording Corp. v. Howell*, 554 F. Supp. 2d 976 (D. Ariz. 2008).

141. *Id.* at 985 (emphasis added) (internal quotation marks omitted).

142. *See id.* at 981.

143. *Id.* at 983.

144. *Capitol Records Inc. v. Thomas*, 579 F. Supp. 2d 1210 (D. Minn. 2008).

145. *See id.* at 1212-13.

146. *See id.* at 1212.

from the copyright owners, violates the copyright owners' exclusive right of distribution, *regardless of whether actual distribution has been shown*.¹⁴⁷

In its error analysis, the court diligently retraced the steps first taken in *London-Sire Records*.¹⁴⁸ After reviewing the plain meaning of § 106(3), and consulting a dictionary¹⁴⁹ and Professor Nimmer,¹⁵⁰ the court reiterated the reasoning found in *London-Sire Records*: "Liability for violation of the exclusive distribution right found in § 106(3) requires actual dissemination."¹⁵¹ As such, the court found Jury Instruction No. 15 to be erroneous and granted Thomas a new trial.¹⁵² Thus, *Capitol Records* reinforces the modern interpretation that unauthorized distribution requires transfer of ownership or possession of a material object.

In summary, cases pertaining to Internet publication and distribution have begun to coalesce as to the meaning of these terms. Although an offer to distribute may constitute a publication under § 101, it does not qualify as a distribution in violation of § 106(3).¹⁵³ Distribution requires transfer of possession.¹⁵⁴

3. Does Internet Publication Constitute Global Simultaneous Publication

In October of 2009, *Moberg v. 33T, LLC* raised an issue of first impression with regard to foreign copyrighted works posted on the Internet¹⁵⁵—whether publishing on the Internet constitutes global and simultaneous publication.

147. *Id.* at 1213 (emphasis added).

148. *See id.* at 1217-25.

149. *See id.* at 1217 (defining "'distribute' as, among other things, '1: to divide among several or many; APPORTION . . . 2 . . . b: to give out or deliver esp. to members of a group'" (quoting MERRIAM-WEBSTER'S COLLEGIATE DICTIONARY 337 (10th ed. 1999))).

150. *See id.* at 1223 ("As Professor Nimmer has stated, '[i]nfringement of [the distribution right] requires an actual dissemination of either copies or phonorecords.' 2 Nimmer on Copyright 8.11[A], at 8-124.1." (alteration in original) (quoting Nat'l Car Rental Sys., Inc. v. Computer Assocs. Int'l, Inc., 991 F.2d 426, 434 (8th Cir. 1993))).

151. *Id.* at 1226.

152. *Id.* at 1226-27.

153. *See* 17 U.S.C. §§ 101, 106(3) (2011). *See also* *Capitol Records Inc. v. Thomas*, 579 F. Supp. 2d 1210, 1218 (D. Minn. 2008) (stating that distribution on the Internet requires actual transfer of ownership); *Atl. Recording Corp. v. Howell*, 554 F. Supp. 2d 976, 985 (D. Ariz. 2008) (same); *London-Sire Records, Inc. v. Doe 1*, 542 F. Supp. 2d 153, 174 (D. Mass. 2008) (same).

154. *See* § 106(3). *See also* *London-Sire Records, Inc.*, 542 F. Supp. 2d at 174 (stating that distribution on the Internet requires actual transfer of ownership).

155. *Moberg v. 33T LLC*, 666 F. Supp. 2d 415 (D. Del. 2009).

In 2004, Plaintiff Håkan Moberg, Swedish resident and photographer, published a series of photographs on a German art website called *blaugallery.com*.¹⁵⁶ In 2007, Moberg discovered 5 of his images had been posted on defendant 33T's websites.¹⁵⁷ Without first registering the photographs with the U.S. Copyright Office, Moberg filed his complaint alleging infringement based on 33T's unauthorized distribution of his photographs on defendant's websites.¹⁵⁸

33T moved to dismiss, arguing that because plaintiff's photographs were posted on a website, and visible instantaneously all over the world, they were published not only in Germany, but also *simultaneously in the United States*.¹⁵⁹ Therefore, 33T contended, the Court lacked subject matter jurisdiction to hear plaintiff's copyright claims because a "United States work" must be registered prior to the filing of a civil action for copyright infringement.¹⁶⁰

The court rejected 33T's assertion, holding that Moberg's photographs were *not* published simultaneously in the United States and Germany.¹⁶¹ As a matter of policy, the court opined:

To hold otherwise would require an artist to survey all the copyright laws throughout the world, determine what requirements exist as preconditions to suits in those countries should one of its citizens infringe on the artist's rights, and comply with those formalities, all prior to posting any copyrighted image on the Internet. The Berne Convention was formed, in part, to prevent exactly this result.¹⁶²

Therefore, the court held that plaintiff's photographs were not "United States works," and Moberg's copyright infringement claims could stand without satisfying U.S. registration requirements.¹⁶³ The *Moberg* court did not ignore the technical reality of simultaneous publication; instead it rejected its legal implication—that simultaneous publication qualifies works of foreign origin as United States works. Contrary to the plain language of the statute, the court reached this result in an attempt to comply with the absence of

156. See *id.* at 417-18. The series of photographs was of a woman and titled *Urban Gregorian I-IX*. See *id.*

157. See *id.* at 418.

158. See *id.*

159. See *id.* at 422.

160. See *id.* at 419; see also 17 U.S.C. § 411(a).

161. *Id.* at 424.

162. *Id.* at 422-23.

163. See *id.* at 424.

formalities principle of the Berne Convention.

In 2011, a similar fact pattern emerged in *Kernal Records Oy v. Mosley*.¹⁶⁴ In *Kernal*, the plaintiff record company alleged that Mosley made an unauthorized copy of the plaintiff's sound recording of the song Acidjazzed Evening (AJE).¹⁶⁵ The court addressed two issues: first, whether AJE had been published on the Internet in Australia, and second, whether AJE was simultaneously published in Australia and the United States, rendering it a United States work.¹⁶⁶

First, the court held that AJE was published on the Internet in Australia.¹⁶⁷ In reaching this conclusion, however, the court applied the pre-2008 "making available" standard.¹⁶⁸ "AJE was not merely transmitted over the Internet; it was downloadable and copyable which allowed the public to acquire a possessory interest in tangible copies of the work."¹⁶⁹ Applying the recent *London-Sire Records*,¹⁷⁰ *Anderson*,¹⁷¹ and *Capitol Records*¹⁷² approach the posting of AJE to the Internet would not qualify as a distribution. There must be actual downloading to show a transfer of ownership or of the possessory interest and thereby satisfy the statutory requirements for a distribution.¹⁷³

Second, having found AJE first published on the Internet in Australia, the court next considered whether the publication occurred simultaneously in the United States. There being no statutory definition of "simultaneous," the court reached for a dictionary and confirmed the common meaning of "simultaneous" as "existing or occurring at the same time: exactly coincident."¹⁷⁴ The court opined "[t]here can be little dispute that posting material on the Internet

164. *Kernal Records Oy v. Mosley*, 794 F. Supp. 2d 1355 (S.D. Fla. 2011), *aff'd*, 694 F.3d 1294 (11th Cir. 2012).

165. *Id.* at 1358.

166. *See id.* at 1360.

167. *See id.* at 1364.

168. *See id.*

169. *Id.* n.7. There is some doubt as to whether AJE had been posted to the Internet. Defendant's testimony appears to indicate publication occurred on a disk magazine, rather than the Internet. Nevertheless, the court concludes that "the first publication of AJE was posted on an online magazine". *See id.* at 1361.

170. *See London-Sire Records, Inc. v. Doe 1*, 542 F. Supp. 2d 153 (D. Mass. 2008).

171. *See Atl. Recording Corp. v. Anderson*, No. H-06-3578, 2008 U.S. Dist. LEXIS 53654 (S.D. Tex. 2008).

172. *See Capitol Records Inc. v. Thomas*, 579 F. Supp. 2d 1210 (D. Minn. 2008).

173. *See London-Sire Records, Inc.*, 542 F. Supp. 2d at 169.

174. *Definition of Simultaneous*, MERRIAM-WEBSTER DICTIONARY, <http://www.merriam-webster.com/dictionary/simultaneous> (last visited Apr. 13, 2013).

makes it available at the same time—simultaneously—to anyone with access to the Internet.”¹⁷⁵ Further, the court found no suggestion by Congress to exclude works published on the Internet from the definitions of “United States work” or “publication.”¹⁷⁶ Based on the plain meaning of “United States work” and having already found AJE first published on the Internet in Australia, the court held that AJE simultaneously published in the United States.¹⁷⁷ Therefore AJE was a “United States work” subject to the registration requirement.¹⁷⁸

Because Kernal had not registered its copyright before filing suit, the court granted summary judgment for defendants on the registration issue.¹⁷⁹ Immediately thereafter, plaintiff obtained registration and moved to amend the complaint.¹⁸⁰ Kernal Records argued that amendment was appropriate because it had relied on the position that AJE was not a “United States work” and therefore not subject to the registration requirement.¹⁸¹ However, the court denied Kernal Records’ motion for failure to show good cause for an untimely amendment.¹⁸² Kernal Records has filed an appeal with the Eleventh Circuit which affirmed the decision of the lower court.¹⁸³

IV. COMPLIANCE WITH BERNE CONVENTION

A. *U.S. Copyright Law Violates the Berne Convention*

The current definition of “United States works” in § 101 of the Copyright Act is overly broad. In particular, the use of the term “simultaneously” has proven to be problematic in the Internet age. Foreign works, when published on the Internet, are simultaneously published in the United States and world-wide.¹⁸⁴ As a result of simultaneous publication in the United States, the foreign work is a “United States work” in accordance with the current definition:

175. Kernal Records Oy v. Mosley, 794 F. Supp. 2d 1355, 1366 (S.D. Fla. 2011), *aff’d*, 694 F.3d 1294 (11th Cir. 2012).

176. *See id.*

177. *See id.* at 1368.

178. *See id.*

179. *See id.*

180. *See id.*

181. *See id.* at 1369.

182. *See id.* at 1369-70 (“Plaintiff is attempting to amend the complaint to allege copyright registration when registration was not even sought until *after* summary judgment was granted for Defendants on the issue.”).

183. Kernal Records Oy v. Mosley, 694 F.3d 1294 (11th Cir. 2012).

184. *See id.* at 1368.

a work is a “United States work” only if—

(1) in the case of a published work, the work is first published—

...

(B) *simultaneously in the United States* and another treaty party or parties, whose law grants a term of copyright protection that is the same as or longer than the term provided in the United States; [or]

(C) *simultaneously in the United States* and a foreign nation that is not a treaty party¹⁸⁵

As a “United States work,” any work published by posting on the Internet is now subject to the registration requirement of § 411(a) and the copyright holder must register the work with the U.S. Copyright Office prior to filing a civil action in copyright infringement.¹⁸⁶ As discussed above, the U.S. registration requirement of § 411(a) is an impermissible formality that violates the Berne Convention when applied to foreign works.¹⁸⁷

Congress never intended this result. U.S. copyright law was drafted before the emergence of today’s Internet. This is apparent from the 1988 BCIA hearings in which stated: “Indeed, countless authors, composers and artists—as well as small publishers—cannot with their limited means afford even to attempt ‘simultaneous publication’ of their works outside the United States.”¹⁸⁸ Although the change from excluding “Berne Convention works” from registration to requiring registration only for “United States works” occurred as recently as October 28, 1998,¹⁸⁹ this was still near the very beginning of the Internet explosion.¹⁹⁰ For perspective, Napster would not be in existence for another nine months at the time Congress adopted the amendment.¹⁹¹ The ease with which works are now published, downloaded, copied, and distributed would have been unimaginable

185. 17 U.S.C. § 101 (emphasis added).

186. See § 411(a).

187. See *supra* text accompanying note 15.

188. *Berne Convention Implementation Act of 1987: Hearings Before the Subcomm. on Courts, Civil Liberties, and the Admin. of Justice*, 100th Cong. 279 (1988).

189. 17 U.S.C. § 101 (2000) (specifying effective date of 1998 amendments as Oct. 28, 1998).

190. Modern commercial use of the Internet did not manifest itself until the early 1990s. For example, Internet banking did not emerge until 1994 with the launch of First Virtual. In that same year, the first commercial banner ads appeared on www.hotwired.com. See Robert H. Zakon, *Hobbes’ Internet Timeline 10.2*, ZAKON.ORG, <http://www.zakon.org/robert/internet/timeline/> (last updated Dec. 30, 2011).

191. See GRALLA, *supra* note 67, at 11.

to the drafters of the current Copyright Act.

The following examples illustrate: (1) how likely events similar to those in *Moberg* and *Kernal Records* are to recur, especially in light of the continued development of the Internet, and (2) the existence of a vast class of local copyright holders who, when publishing their work on the Internet, have no intention to publish in the United States nor would they benefit from such publishing.

Imagine Sarah, a young woman with a passion for photography and an entrepreneurial spirit. Growing up in a small town in New Zealand, she decides to leverage her local connections and starts up a family photography business. Like many photographers today, she launches a website on which she posts pictures for her clients to select from and purchase. The site also serves as a marketing tool to promote her trade within the local community. As a family portrait photographer, the scope of her client base is limited to a geographical area in which she can reasonably commute to and from.

In this example, it is clear that when Sarah publishes a series of family photos on her site, she is targeting that specific family and perhaps other locals who might now be inspired to schedule a photo shoot. However, under *Kernal Records*, her photographs are “United States works” and although Sarah doesn’t know it, the formality of the U.S. registration requirement now applies to her. If she needs to enforce her copyrights in the United States, she must first register under § 411(a).

Building on the same example, Sarah begins posting and selling photographs depicting the natural scenery of New Zealand. A year later, she discovers that her images are on sale in the United States at a Wal-Mart store without her authorization. Once again, Sarah’s foreign works are deemed United States works and subject to the formality of registration in violation of Berne Convention. Although it is difficult to project the number of individual foreign copyright holders publishing their works on the Internet, it is reasonable to conclude that vast numbers of foreign works are presently subject to the formality of the U.S. registration requirement in violation of the Convention.

The recent holding in *Kernal Records* shows the potential for harm.¹⁹² In addition to imposing the registration requirement—a formality in violation of Berne Convention—the court in *Kernal Records* granted defendant’s motion for summary judgment of

192. *Kernal Records Oy v. Mosley*, 794 F. Supp. 2d 1355 (S.D. Fla. 2011), *aff’d*, 694 F.3d 1294 (11th Cir. 2012).

copyright infringement because plaintiff failed to register the copyright prior to filing the complaint.¹⁹³ Kernal Records subsequently registered its copyright and filed an appeal.¹⁹⁴ Congress never intended for parties like Kernal Records—who hold rights in a foreign work—to deal with the cost of litigating and losing a motion for summary judgment for failure to comply with a formality in violation of the Berne Convention.¹⁹⁵ As the Article will demonstrate, the amendments need not be drastic to eliminate this issue.

B. Possible Solutions

1. Eliminate the § 411(a) Registration Requirement

The elimination of § 411(a) certainly would eliminate the formality of the registration requirement and therefore would restore compliance with the Berne Convention. However, this is an overly drastic approach. As discussed above,¹⁹⁶ Congress considered this very measure when drafting the BCIA but decided in favor of maintaining the requirement due to the following public benefits: (1) registration promotes efficient litigation practices, (2) registration may deter frivolous law suits, (3) registration helps to ensure a central, public record of copyright claims, and (4) registration is a source of acquisitions for the Library of Congress.

2. Change the Definition of “Publication”

A change to the definition of “Publication” must be made with extreme caution. There are well over 100 instances of the term “publication” scattered throughout the Copyright Act. As a result any solution implemented to restore compliance with Berne Convention is likely to trigger new and unexpected consequences. By contrast, the term “United States work” appears only once in the Act, and therefore it is less likely that an amendment here will cause unexpected consequences.

3. Change the Definition of “United States Work”

This Article recommends limiting the scope of “United States works” to include only those simultaneous Internet publications in which the copyright holder actively solicited customers in the United

193. *See id.* at 1368.

194. *Id.*

195. *See supra* text accompanying note 32.

196. *See supra* Part III.A.1.

States. This proposal recognizes two classes affected by the simultaneous publication problem: (1) those who publish on the Internet with intent to actively solicit customers in the United States, and (2) those who publish on the Internet for any other purpose.

“Active solicitors” who deliberately target their online resources at the United States for their commercial benefit essentially have elected to operate within the United States economy. As such, it is appropriate for the works in this category to be treated as “United States works” subject to the same formalities as those residing in the United States who publish on the Internet for the purpose of actively soliciting U.S. customers.

In principle, this approach is consistent with the intent of the Convention’s “country of origin” framework. Article 5(4) was drafted so that the country of origin would coincide with the “locus of economic centre of the exploitation of their work.”¹⁹⁷ If that rationale is applied in the Internet age, it is entirely consistent to assign the United States as the country of origin for those who simultaneously publish their works on the Internet for the purpose of “actively soliciting” customers in the United States, the U.S. being the economic center for the exploitation of their work. Therefore, if the United States is the country of origin for works that target U.S. customers, then U.S. domestic copyright law governs the work under Berne Convention.¹⁹⁸ As such, the registration requirement would not be a prohibited formality in violation of the Convention.

On the other hand, category 2 consists of individuals and local business owners like Sarah from the example above. These individuals should be free to publish on the Internet without concern for U.S. copyright formalities.

The required amendments to § 101 are minor as the following proposed language demonstrates. Newly added language appears in *italics*.

Proposed Amendments to 17 U.S.C. § 101

For purposes of Section 411, a work is a “United States work” only if—

(1) in the case of a work first published on the Internet, the copyright holder actively solicited customers in the United States; or

197. See RICKETSON & GINSBURG, *supra* note 3, § 6.64, at 288.

198. See Berne Convention, *supra* note 2, art. 5(3).

(2) in the case of *any other* published work, the work is first published—

(A) in the United States;

(B) simultaneously in the United States and another treaty party or parties, whose law grants a term of copyright protection that is the same as or longer than the term provided in the United States;

(C) simultaneously in the United States and a foreign nation that is not a treaty party; or

(D) in a foreign nation that is not a treaty party, and all of the authors of the work are nationals, domiciliaries, or habitual residents of, or in the case of an audiovisual work legal entities with headquarters in, the United States.

The newly amended clause only comes into effect where there has been a simultaneous Internet publication. Only then does the court consider whether the affected party is an active solicitor or not. To facilitate this determination this Article proposes a set of factors. The factors involve simple factual inquiries that can readily be made in support of summary judgment.

Proposed Factors for Determining Active Solicitation:

17 U.S.C. § 101

Each factor relates to the website on which the work was first published. The factors weigh in favor of finding active solicitation directed at U.S. customers. In evaluating the factors, the court need only review the website and online advertising plan (if one existed) to make a determination. The factors include:

- (1) Targeting U.S. customers with online advertising units (i.e., banner ads);¹⁹⁹
- (2) Targeting U.S. customers with USD pricing;
- (3) Enabling purchases in USD;
- (4) Providing customer support in English;

199. Online media units or banners ads can be targeted at U.S. customers to drive “click through” to websites anywhere in the world. See *Geotargeting*, DOUBCLICK, <http://support.google.com/richmedia/bin/answer.py?hl=en&answer=2584903> (last visited Apr. 13, 2013) (“[T]he ad server uses IP addresses to determine geographic information about the user. With this data you can set up geotargeting . . .”).

(5) Providing an English version of the website.

The inquiry here is whether the web presence is designed to actively solicit customers in the United States. Where an affected party meets one or more of these criteria, the court may categorize the purpose of the publication as an active solicitation of U.S. customers. As such, it is appropriate under the proposed amendment to § 101 to treat the foreign work as a “United States work” subject to the registration requirement. All other works published on the Internet would no longer be subjected to the formality of registration. In achieving this result, U.S. copyright law would be restored to compliance with Berne Convention in the Internet age.

V. CONCLUSION

U.S. copyright law currently imposes formalities on works of foreign origin that are first published on the Internet, in violation of the Berne Convention. Congress never intended to impose the registration requirement on works of foreign origin. As such, it is time to amend the definition of “United States work” to properly deal with the new reality of simultaneous publication on the Internet. This Article recommends that works of foreign origin published on the Internet should be included in the definition of “United States works” only when the Internet publication actively solicits customers in the United States. All other simultaneous publications involving foreign works should be excluded. Implementation of this solution will eliminate the impermissible formality for the class protected by the Berne Convention while maintaining a level playing field with foreign competitors who avail themselves of the U.S. market.